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JUSTICE DEPARTMENT SEIZES TOP INTERNET SITE INVOLVED IN COPYRIGHT PIRACY

WASHINGTON, D.C. - The leading public Internet site dedicated to online copyright piracy was seized by the Justice Department today. Assistant Attorney General Michael Chertoff and Paul J. McNulty, U.S. Attorney for the Eastern District of Virginia today announced the seizure of www.iSONEWS.com as part of a previous plea agreement entered into by a defendant convicted of violating the criminal copyright laws.

David M. Rocci, 22, of Blacksburg, Va., who used the online screen name "krazy8," pleaded guilty on December 19, 2002, in U.S. District Court for the Eastern District of Virginia, to conspiring to import, market and sell circumvention devices known as modification (or "mod") chips in violation of the Digital Millennium Copyright Act. Mod chips are designed to circumvent copyright protections built into game consoles such as the Microsoft Xbox and Sony Playstation 2, and once installed, allow the unlimited play of pirated games on those consoles. As a condition of his plea, Rocci agreed to surrender to the government his public website, www.iSONEWS.com, which he used to facilitate his illegal activity.

The United States assumed control of the domain name and website this week. Individuals who now visit www.iSONEWS.com will no longer find the latest news on new pirated releases by illegal software piracy (or "warez") groups. Instead, they will view information about the case of United States v. Rocci, as well as general information about copyright infringement and the criminal prosecution of individuals engaged in online piracy. In addition to this information, the site now contains links to the website of the Department of Justice's Computer Crime and Intellectual Property Section, www.cybercrime.gov, which contains further information on the Department's criminal anti-piracy efforts.

During a two month period beginning in May 2002, Rocci sold approximately 450 Enigmah Mod Chips throughout the United States and overseas in return for approximately \$28,000. The Enigmah mod chips, illegally imported from the United Kingdom, were designed specifically for use in the Microsoft Xbox console. The mod chips contained software code designed specifically to circumvent the security or access control protections on the Xbox. Once the built-in security protections were defeated by the mod chips, pirated game software could be played on the Xbox console.

Rocci used his website as the exclusive means to advertise and market the sale of mod chips to individuals in the online warez community. The iSONEWS website was dedicated to providing information about copyright infringement and piracy, and included pages with news on the illegal warez scene, discussion forums on piracy, and up-to-date listings of all of the latest pirated products that were available. The site had over 100,000 registered users and claimed to receive over 140,000 hits each day.

According to plea papers, Rocci intentionally marketed the Enigmah chip, which sold for between \$45 and \$60 a piece, as a device that would allow individuals to play pirated games from "all release groups" on their Xbox consoles. A release group is a type of Internet software piracy group that specializes in being the first to distribute new pirated games, software, movies or music over the Internet.

"David Rocci developed a public website that specifically catered to the underground piracy community. He attempted to profit by marketing circumvention devices to that community knowing they would be used to play pirated games," said Assistant Attorney General Michael Chertoff. "He thought that there were no risks associated with his actions. He was wrong and everyone engaged in the warez scene should take note."

"Piracy is not a game or a hobby, it is a crime," said Paul McNulty. "This case is another example of our dedication to enforcing the intellectual property laws of this nation online. Whether you are engaged in conduct like David Rocci or you are purchasing mod chips to play pirated games, you should stop," said McNulty. "As David Rocci and others have learned recently, the consequences of copyright infringement are very real."

Rocci will be sentenced on March 7, 2003 before U. S. District Judge James C. Cacheris, and could receive a maximum sentence of five years in prison and a \$500,000 fine.

Prosecuting these cases for the United States are Assistant U.S. Attorney Robert Wiechering; Michael O'Leary, Deputy Chief and Michael DuBose, Senior Counsel, of the Computer Crime and Intellectual Property Section, Department of Justice. The investigation was conducted by the U.S. Customs Service, including the Customs CyberSmuggling Center in Fairfax, VA, and the Washington RAIC Office in Fairfax, VA.

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